

**MINUTES OF THE  
HEALTH AND HUMAN SERVICES INTERIM COMMITTEE**  
Wednesday, November 17, 1999 - 9:00 a.m. -- Room 405 State Capitol

**Members Present:**

Sen. Robert F. Montgomery, Senate Chair  
Rep. Carl R. Saunders, House Chair  
Sen. D. Edgar Allen  
Sen. Paula F. Julander  
Sen. Peter C. Knudson  
Sen. Steven L. Poulton  
Rep. Trisha S. Beck  
Rep. Jackie Biskupski  
Rep. Margaret Dayton  
Rep. Kory M. Holdaway  
Rep. Bryan D. Holladay  
Rep. Rebecca D. Lockhart  
Rep. Karen W. Morgan  
Rep. Jack A. Seitz  
Rep. A. Lamont Tyler  
Rep. Richard L. Walsh

**Members Absent:**

Rep. Mary Carlson

**Staff Present:**

Mr. Mark D. Andrews  
Research Analyst  
Ms. Janetha W. Hancock  
Associate General Counsel  
Mr. R. Chet Loftis  
Associate General Counsel  
Ms. L. Kaye Clark  
Secretary

Note: A list of others present and a copy of materials distributed in the meeting are on file in the Office of Legislative Research and General Counsel.

**1. Call to Order and Approval of October 20 Minutes** – Chair Montgomery called the meeting to order at 9:05 a.m. He requested that committee members respond to the survey "Reports to the Health and Human Services Interim Committee, 1999" so that the results could be tallied during the meeting.

**MOTION:** Rep. Seitz moved to approve the minutes of the October 20, 1999 meeting. The motion passed unanimously. Sens. Allen, Julander, and Poulton, and Reps. Dayton, Lockhart, and Tyler were absent for the vote.

**2. Tobacco Settlement – Update and Review of Proposed Legislation** – Mr. Andrews reported that the states have achieved the 80/80 state specific finality required for disbursement of tobacco settlement payments to the states.

Chair Montgomery discussed draft legislation proposed by the chairs and modified since it was presented at the last meeting. He noted that because of the uncertainty of future payments, they should not be used to build the budget base. Chair Saunders then reviewed the draft, "Tobacco Settlement Accounts for Health and Education."

**MOTION:** Chair Saunders moved to amend lines 228-230 of the draft "Tobacco Settlement Accounts for Health and Education" (2000FL-0359/009) to read as follows:

(2) [If the state receives tobacco] Tobacco settlement funds received by the state before July 1, 2000, those funds shall be appropriated for fiscal year 2000-01 from the Tobacco Settlement Account within the General Fund as follows:

The motion passed unanimously. Sens. Allen and Poulton, and Rep. Dayton were absent for the vote.

Chair Montgomery responded to questions. Chair Saunders referred members to the handout "Summary of Tobacco Settlement Bill Requests."

Mr. David Gessell, Utah Hospital Association, spoke against the bill because it does not eliminate the hospital tax.

**MOTION:** Chair Saunders moved to adopt as a committee bill "Tobacco Settlement Accounts for Health and Education."

**SUBSTITUTE MOTION:** Sen. Knudson moved to proceed to the next agenda item. The motion passed with Chairs Montgomery and Saunders voting in opposition. Rep. Dayton was absent for the vote.

Rep. Morgan discussed draft legislation "Use of Settlement Proceeds for Tobacco Prevention."

**MOTION:** Rep. Biskupski moved to adopt as a committee bill "Use of Settlement Proceeds for Tobacco Prevention." The motion failed with Reps. Holdaway, Holladay, Lockhart, Seitz, and Walsh voting in opposition. Sen. Poulton and Rep. Dayton were absent for the vote.

Sen. Allen discussed the value of establishing an endowment for tobacco monies.

**MOTION:** Rep. Seitz moved that the committee go on record in favor of the concept of an endowment, with a minimum of 25 percent going into the endowment. The motion failed with Reps. Beck, Biskupski, Lockhart, Morgan, Tyler, and Walsh voting in opposition. Rep. Dayton was absent for the vote.

Sen. Poulton discussed draft legislation "Use of Tobacco Settlement Revenues."

**MOTION:** Sen. Poulton moved to adopt as a committee bill "Use of Tobacco Settlement Revenues." The motion failed with Sens. Allen and Knudson, and Reps. Biskupski, Holdaway,

Holladay, Lockhart, Seitz, Tyler, and Walsh voting in opposition. Sen. Julander and Reps. Beck, Dayton, and Morgan were absent for the vote.

**3. Prescriptions Drugs Donated for Humanitarian Efforts – Immunity from Liability –** Sen. Suazo reviewed draft legislation "Donation of Prescription Drugs or Devices - Liability Protection."

Mr. Robert Haltom, Humanitarian Resource Center of North America, spoke in favor of the legislation.

**MOTION:** Rep. Walsh moved to adopt as a committee bill "Donation of Prescription Drugs or Devices - Liability Protection." The motion passed unanimously. Reps. Dayton and Morgan were absent for the vote.

**4. Mental Health Parity – Follow-up on Proposals Under Consideration –** Ms. Jan Ferre, Legislative Coalition for People with Disabilities, presented information contained in the handouts "Comparison of Mental Health Insurance Proposals" and "RE: Insurance Parity for Mental Illness."

Mr. Larry Bunkall, Utah Manufacturers Association, stated his opinion that mandated insurance coverage results in an increase in the number of uninsured persons.

Mr. Kent Palmer, Alliance House, spoke in favor of ending discrimination against persons with mental illness.

Mr. Ron Casper, National Federation of Independent Businesses, stated that small business owners cannot afford mandated coverage for mental illness.

Mr. John Braun, Assistant Insurance Commissioner, updated the committee on recent meetings held by groups studying mental health parity. He reported that a draft proposal is being reviewed by insurers. See handout "Mental Health Parity Report to Health & Human Services Interim Committee, 20 Oct 1999."

Mr. Frank Pignanelli reported that the Board of Governors of the Salt Lake Area Chamber of Commerce believes that parity will result in a cost increase. The board does not support legislation that would increase the cost of insurance.

**5. Reports to Health and Human Services Interim Committee – Legislation to Modify Reporting Requirements –** Ms. Hancock reviewed draft legislation "Health and Human Services Interim Committee Reporting Amendments," which modifies provisions for certain

reports made to the committee. Ms. Hancock also reviewed the results of the surveys distributed at the beginning of the meeting.

**MOTION:** Chair Saunders moved to adopt as a committee bill "Health and Human Services Interim Committee Reporting Amendments" (2000FL-0084/002) with amendments reflecting the responses of committee members to the survey. The motion passed with Reps. Holladay and Lockhart voting in opposition. Sen. Poulton and Reps. Dayton and Morgan were absent for the vote.

**6. Report #22: Child Welfare Legislative Oversight Panel** – Rep. Nora Stephens reviewed the report "Recommendations of the Child Welfare Legislative Oversight Panel to the Health and Human Services Interim Committee and the Legislature." She reported that the recommendations of the panel include: (1) modifying the process for accepting and investigating reports of child abuse and neglect; (2) modifying provisions governing annual legislative and executive branch audits of the child welfare system; and (3) modifying the role of private adoption agencies in promoting adoption of children in state custody. Rep. Stephens then reviewed draft legislation recommended by the panel titled "Legislative Audits of Child Welfare System."

**MOTION:** Sen. Knudson moved to adopt as a committee bill draft legislation "Legislative Audits of Child Welfare System" (2000fl-0260/009). The motion passed unanimously. Sens. Julander and Poulton, and Reps. Dayton, Morgan, and Tyler were absent for the vote.

Rep. Stephens reviewed draft legislation "Notice to Potential Adoptive Parents," and added that the bill was recommended by the Child Welfare Legislative Oversight Panel, but is not ready for committee action at this time.

**7. Report #14: Portability of Human Services Funding – General Portability** – Ms. Helen Goddard, Director, Division of Aging, explained that H.B. 52 directs the Department of Human Services and the Division of Health Care Finance to report to the committee on the portability of state and federal funding to persons wishing to move between service systems administered by those departments. She distributed the handout "Long Term Care Services for the Elderly, Level of Care Matrix" and reviewed the "Final Report on Portability of Services Between Health and Human Services," including recommendations related to the elderly and mental health programs.

Mr. John Williams, Long-term Care Specialist, Division of Health Care Finance, discussed barriers to portability.

Rep. Hogue, sponsor of H.B. 52, reported that open enrollment is allowing persons increased movement between the services systems. He intends to sponsor legislation during the 2000 General Session to extend the study of portability, particularly to address aging issues. He distributed the handout "Inventory for Client and Agency Planning Assessment."

Ms. Robin Arnold-Williams, Director, Department of Human Services, discussed portability of mental health services for adults between the ages of 22 and 64 who are in an institution for mental disease.

**8. Annual Reports and Follow-up** – Chair Montgomery explained that the committee has received written reports for the following items. Individuals representing each reporting entity were available at the meeting to answer questions from the committee.

Report #13: Financial Assistance – Utah Medical Assistance Program and Primary Care Grants to Public and Nonprofit Entities – Robert Knudson, Director, responded to questions regarding Medicaid eligibility.

Report #12: Children's Health Insurance Program (CHIP) – Mr. Chad Westover, Director, responded to questions regarding the CHIP program.

Report #26: Health Policy Commission

Report #29: Utah Substance Abuse and Anti-Violence Coordinating Council

Report #15: Alternative Middle Schools

Report #21: At Risk Children and Youth – Families, Agencies, and Communities Together ("FACT") Steering Committee

Follow-up: *Lisa P. Settlement Agreement* – Ms. Arnold-Williams reported that the evaluations have been completed and the process for compliance with the agreement is continuing. She responded to questions from the committee.

Follow-up: Suicide Task Force

**9. Obesity – Coverage of Pharmaceuticals by Medicaid** – Dr. Scott Charland, Roche Laboratories, presented a slide presentation. He reported that obesity is increasing and discussed the consequences of obesity, including the health consequences for children.

Mr. Duane Park, Department of Health, discussed the potential increase in costs to cover obesity drugs for Medicaid recipients in Utah. He recommended that funds be spent on education of proper lifestyle rather than on drugs for obesity.

Chair Montgomery noted that a draft letter was prepared for the consideration of the committee. The letter requests the Department of Health to study the impact of extending Medicaid coverage to prescription drugs used to treat severe cases of obesity.

**MOTION:** Rep. Beck moved to send the letter as drafted to Mr. Betit, Executive Director, Department of Health, and to add a request that the department report to the committee at its April 2000 meeting. The motion passed with Reps. Dayton and Lockhart voting in opposition. Sens. Julander and Poulton and Reps. Holladay and Seitz were absent for the vote.

**10. Other Business** –Chair Montgomery thanked committee members and staff for their work during the interim.

**11. Adjourn**

**MOTION:** Chair Saunders moved to adjourn the meeting at 12:00 p.m. The motion passed unanimously.